

**THE VIRGINIA BOARD OF ACCOUNTANCY**

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The Virginia Board of Accountancy (VBOA) met on Friday, September 19, 2008 in Board Room 2 of the Perimeter Center, 9960 Mayland Drive, Richmond, Virginia 23233.

**CALL TO ORDER:** Chairman Calderone called the meeting to order at 9:10 a.m.

**MEMBERS PRESENT:** Dian T. Calderone, MTX, CPA, Chairman  
O. Whitfield Broome, Ph.D., CPA Vice Chairman  
Lawrence D. Samuel, CPA, Immediate Past Chairman  
Stephen D. Holton, CPA  
Tyrone E. Dickerson, CPA  
Regina P. Brayboy, MPA

**MEMBERS ABSENT:** William E. Hunt, CPA

**STAFF PRESENT:** Katherine Idrissi, Special Assistant  
Jean Grant, Enforcement Manager/Investigator  
Dreana L. Gilliam, Board Administrator  
Mike Rogers, Finance and Administration Analyst

**STAFF ABSENT:** Nancy T. Feldman, Executive Director/Agency Head

**OTHERS PRESENT:** Cynthia H. Norwood, Assistant Attorney General  
Monique Valentine, CPA  
Maureen Dingus, Executive Vice President, Virginia Society of  
Certified Public Accountants  
Emily Walker, Government Affairs Director, Virginia Society of  
Certified Public Accountants  
James W. Hopper, Senior Assistant Attorney General and Chief,  
Office of the Attorney General  
Matt Egger, CPA  
Elizabeth Roberts, CPA  
Thomas F. Coates, III, Coates & Davenport

**EMERGENCY EVACUATION PROCEDURES**

Katherine Idrissi provided the emergency evacuation procedures.

**INTRODUCTION OF NEW BOARD STAFF MEMBER**

Chairman Calderone introduced Mike Rogers, Financial and Accounting Analyst.

**DETERMINATION OF QUORUM**

Chairman Calderone determined that a quorum was present.

**APPROVAL OF AGENDA**

Upon a motion by Mr. Holton and duly seconded, the members voted unanimously to approve the September 19, 2008 agenda as amended by Chairman Calderone.

**PUBLIC COMMENT**

Members of the public were in attendance and addressed the VBOA during the public comment period.

**PRESIDENT'S OVERVIEW**

Chairman Calderone opened the meeting and stated a closed session to discuss personnel matters would follow the business of the day. Ms. Calderone turned the meeting over to Dr. Broome.

**EDUCATION/ETHICS REPORT**

Dr. Broome presented the Education/Ethics Report on behalf of Mr. Hunt. Dr. Broome led the discussion regarding the registration of Ethics CPE providers for 2009. The Board tabled the registration of CPA providers until a later date. Dr. Broome provided a summary of the 2009 Regulatory CPE course draft. Following the discussion, it was determined that further review would be necessary prior to finalizing the proposed outline. The members agreed to defer discussion to a later date. The outline will be posted to the Board's website no later than October 30, 2008.

**REGULATORY REVIEW**

Katherine Idrissi presented the comments on the NOIRA for the fee adjustment to the members for review. The members reviewed the comments and will take them under advisement.

Ms. Idrissi presented the Fee Analysis on behalf of Pam Kamalakkannan. Following a discussion, it was determined that additional information was necessary to determine a definitive response. The members agreed to defer discussion to the October 24, 2008 board meeting.

Ms. Idrissi led the discussion regarding the Public Participation Guidelines (PPG). Upon a motion by Dr. Broome and duly seconded, the members voted unanimously to approve the new PPGs for filing with the Registrar.

## **BOARD REPORTS**

Mike Rogers led the discussion regarding the Monthly Financial Report. Chairman Calderone requested that a rolling cash flow statement be provided to the members for review at the upcoming board meeting. Mr. Rogers gave a brief explanation of current budget levels. Following Mr. Rogers explanation, Ms. Grant requested Board approval to immediately transfer funds of \$200,000. Following an open discussion, Mr. Holton moved to approve the request to transfer \$200,000 from the VBOA Trust Fund to the VBOA Operating Fund. The motion was duly seconded and carried.

Ms. Idrissi led the discussion regarding the Biennial Report and the Systems Automation transformation. Preparation of the Biennial Report is currently in progress. The report will be sent to Mr. Samuels for final review. The Systems Automation transformation is currently on schedule and in its final stages with a tentative completion date of November 11, 2008.

Ms. Grant provided the transition of administrative services update. Training is currently in progress for three members of the staff (Jean Grant, Mike Rogers, and Valeria Quimpo). The Executive Director has extended the human resources part of the BOA agreement with DMV to provide services until November 30, 2008. All other tasks are on target.

## **NASBA DISCUSSION ITEMS**

Chairman Calderone presented the Focus Question responses. Following a discussion, it was determined that an additional request should be added prior to the deadline. Chairman Calderone requested we again ask NASBA to initiate the development of a national ethics course recognized by all states.

Ms. Calderone informed attendees that the meeting would convene to a closed meeting during lunch.

## **BEGIN CLOSED MEETING**

Upon a motion by Mr. Holton, and seconded by Mr. Samuel, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in closed meeting for the purpose of discussing personnel matters within the jurisdiction of the VBOA as permitted by § 2.2-3711.A.1 of the *Code of Virginia*. The following non-member was in attendance to reasonably aid the consideration of the topic: James W. Hopper, Senior Assistant Attorney General and Chief, Office of the Attorney General. The members voting “**AYE**” were Mr. Samuel, Mr. Holton, Ms. Brayboy, Dr. Broome, and Ms. Calderone.

## **END CLOSED MEETING**

Upon a motion by Dr. Broome, and seconded by Mr. Holton, the VBOA approved by unanimous vote that the closed meeting, as authorized by § 2.2-3712.A of the *Code of Virginia*, be adjourned and that the VBOA immediately reconvene in open public meeting. The members voting “**AYE**” were Mr. Samuel, Mr. Holton, Ms. Brayboy, Dr. Broome, and Ms. Calderone.

Upon a motion by Dr. Broome, and seconded by Mr. Dickerson, the VBOA made the following certification:

WHEREAS, the VBOA has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and WHEREAS, § 2.2-3712.A of the *Code of Virginia* requires a certification by this VBOA that such closed meeting was conducted in conformity with Virginia law; NOW THEREFORE, BE IT RESOLVED that the VBOA hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the VBOA.

**CALL FOR VOTE:**

Dian T. Calderone, MTX, CPA – Aye  
O. Whitfield Broome, Ph.D, CPA – Aye  
Lawrence D. Samuel, CPA – Aye  
Tyrone E. Dickerson, CPA – Aye  
Stephen D. Holton, CPA – Aye  
Regina P. Brayboy, MPA – Aye  
William E. Hunt, CPA – Not Present/No Vote

**VOTE**

AYES: Six (6)

NAYS: None

ABSENT DURING VOTE: None.

ABSENT DURING MEETING: Mr. Hunt

Chairman Calderone reported no action taken as a result of the closed meeting.

**ENFORCEMENT REPORT**

Ms. Norwood presented an overview of class action law suits. Mr. Dickerson presented the Enforcement Report regarding class action law suit notification of settlements. Mr. Samuel recused himself at this time. Mr. Dickerson requested input from the board on how to proceed with the notifications of settlement that are received by the board. Following a discussion, the members agreed to determine whether or not to open a case on an individual basis because receipt of notice of settlement does not necessarily indicate a violation has occurred.

**ENFORCEMENT CASES**

Dr. Broome provided each person in attendance the opportunity to address the members of the board. Due to their involvement with the cases, Ms. Calderone and Mr. Dickerson left the room and did not participate in the discussion or vote.

**BEGIN CLOSED MEETING**

Upon a motion by Mr. Holton, and seconded by Mr. Samuel, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvened in closed meeting for the purpose of discussing disciplinary proceedings within the jurisdiction of the

VBOA as permitted by § 2.2-3711.A.27 of the *Code of Virginia*. The following non-members remained in attendance to reasonably aid the consideration of the topic: Jean Grant, Enforcement Manager/Investigator and Cynthia Norwood, Board Legal Counsel. The members voting “**AYE**” were Mr. Holton, Ms. Brayboy, Dr. Broome, and Mr. Samuel.

**END CLOSED MEETING**

Upon a motion by Dr. Broome, and seconded by Mr. Holton, the VBOA approved by unanimous vote that the closed meeting, as authorized by § 2.2-3712.A of the *Code of Virginia*, be adjourned and that the VBOA immediately reconvene in open public meeting. The members voting “**AYE**” were Mr. Samuel, Mr. Holton, Ms. Brayboy, Dr. Broome, and Ms. Calderone.

Upon a motion a motion by Dr. Broome, and seconded by Mr. Dickerson, the VBOA made the following certification:

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**CALL FOR VOTE:**

Dian T. Calderone, MTX, CPA – Not Present/No Vote  
O. Whitfield Broome, Ph.D, CPA – Aye  
Lawrence D. Samuel, CPA – Aye  
Tyrone E. Dickerson, CPA – Not Present/No Vote  
Stephen D. Holton, CPA – Aye  
Regina P. Brayboy, MPA – Aye  
William E. Hunt, CPA – Not Present/No Vote

**VOTE**

AYES: Four (4)

NAYS: None

ABSENT DURING VOTE: Ms. Calderone and Mr. Dickerson

ABSENT DURING MEETING: Mr. Hunt

**CONSENT ORDERS:**

**File Number 2008-D11 (Roberts) Calderone & Dickerson**

In the matter of File Number 2008-D11, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer’s recommendation. Following a discussion, upon a motion by Mr. Holton and duly seconded, the Board by unanimous vote accepted the presiding officer’s recommendations. The members voting “**AYE**” were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2008-U02 (Meyer) Calderone & Dickerson**

In the matter of File Number 2008-U02, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer's recommendation. Following a discussion, upon a motion by Mr. Holton and duly seconded, the Board by unanimous vote accepted the presiding officer's recommendations. The members voting "AYE" were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2008-CPE09 (Mervis) Calderone & Dickerson**

In the matter of File Number 2008-CPE09, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer's recommendation. Following a discussion, upon a motion by Ms. Brayboy and duly seconded, the Board by unanimous vote accepted the presiding officer's recommendations. The members voting "AYE" were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2008-D09 (Orndorff) Calderone & Dickerson**

In the matter of File Number 2008-D09, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer's recommendation. Following a discussion, upon a motion by Ms. Brayboy and duly seconded, the Board by unanimous vote accepted the presiding officer's recommendations. The members voting "AYE" were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**BOARD ORDERS:**

**File Number 2008-CPE01 (Egger) Calderone & Dickerson**

In the matter of File Number 2008-CPE01, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer's recommendation.

Upon a motion by Mr. Holton and duly seconded, the Board by unanimous vote accepted the presiding officers recommendations with removal of the 2,500 penalty. The members voting "AYE" were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2007-D22 (Nguyen) Calderone & Dickerson**

In the matter of File Number 2007-D22, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer's recommendation. Following a discussion, upon a motion by Mr. Samuel and duly seconded, the Board by unanimous vote accepted the presiding officer's recommendations. The members voting "AYE" were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2007-U20/2007-U06 (Smith) Calderone & Dickerson**

In the matter of File Number 2007-U20/2007-U06, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer's recommendation.

Upon a motion by Mr. Samuel and duly seconded, the Board by unanimous vote accepted the presiding officers recommendations with an increase in the monetary penalties from \$6,000 to

\$7,500 and from \$1,000 to \$2,500. The members voting “**AYE**” were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2007-D16 (Aduba) Calderone & Dickerson**

In the matter of File Number 2007-D16, the Board reviewed the record which consisted of the transcripts, exhibits from the Informal Fact Finding (IFF) and the presiding officer’s recommendation.

Upon a motion by Mr. Samuel and duly seconded, the Board by unanimous vote accepted the presiding officer’s recommendations with the following changes:

- a. Count 1 is a violation of Standards of Conduct and Practice 54.1-4413.3 of the Code of Virginia
- b. An increase in the CPE requirements to 40 credits

The members voting “**AYE**” were Dr. Broome, Mr. Samuel, Ms. Brayboy, and Mr. Holton.

**File Number 2007-D29 (Prouty) Calderone & Dickerson**

In the matter of File Number 2007-D29 the Board reviewed the record, which consisted of the transcripts, exhibits from the IFF and the presiding officer’s recommendation.

Upon a motion by Ms. Brayboy and duly seconded the Board by unanimous vote accepted the presiding officer’s recommendations with the following changes:

- a. Count 1 is a violation of Standards of Conduct and Practice, 54.1-4413.3
- b. Removal of the following presiding officer’s recommended action:  
“Any future violations will result in automatic revocation of her CPA License.”

The members voting “**AYE**” were Dr. Broome, Mr. Samuel, Ms. Brayboy and Mr. Holton.

**FUTURE MEETING DATES:**

Friday, October 24, 2008  
Wednesday, December 17, 2008

**BEGIN CLOSED MEETING**

Upon a motion by Mr. Holton, and seconded by Mr. Samuel, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in closed meeting for the purpose of discussing personnel matters within the jurisdiction of the VBOA as permitted by § 2.2-3711.A.1 of the *Code of Virginia*. No non-members were in attendance to reasonably aid the consideration of the topic. The members voting “**AYE**” were Mr. Samuel, Mr. Holton, Ms. Brayboy, Dr. Broome, and Ms. Calderone.

**END CLOSED MEETING**

Upon a motion by Dr. Broome, and seconded by Mr. Holton, the VBOA approved by unanimous vote that the closed meeting, as authorized by § 2.2-3712.A of the *Code of Virginia*, be adjourned and that the VBOA immediately reconvene in open public meeting. The members voting “**AYE**” were Mr. Samuel, Mr. Holton, Ms. Brayboy, Dr. Broome, and Ms. Calderone.

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**CALL FOR VOTE:**

Dian T. Calderone, MTX, CPA – Aye  
O. Whitfield Broome, Ph.D, CPA – Aye  
Lawrence D. Samuel, CPA – Aye  
Tyrone E. Dickerson, CPA – Aye  
Stephen D. Holton, CPA – Aye  
Regina P. Brayboy, MPA – Aye  
William E. Hunt, CPA – Not Present/No Vote

**VOTE**

AYES: Six (6)  
NAYS: None  
ABSENT DURING VOTE: None.  
ABSENT DURING MEETING: Mr. Hunt

Chairman Calderone reported no action taken as a result of the closed meeting.

**NEW BUSINESS**

Ms. Brayboy stated Nancy T. Feldman, Executive Director/Department Head announced her retirement effective February 1, 2009.

Upon a motion by Ms. Brayboy and duly seconded the Board by unanimous vote accepted Ms. Feldman’s notice of retirement effective February 1, 2009. The members voting “**AYE**” were Ms. Calderone, Dr. Broome, Mr. Samuel, Ms. Brayboy and Mr. Holton. The members voting “**AYE**” were Dr. Broome, Mr. Samuel, Ms. Brayboy, Mr. Dickerson, Ms. Calderone, and Mr. Holton.

**CONFLICT OF INTEREST FORMS/TRAVEL EXPENSE VOUCHERS**

Chairman Calderone asked the members to complete and sign their conflict of interest forms and complete and sign their travel expense vouchers.

**ADJOURNMENT**

There being no further business a motion duly made and seconded, the meeting adjourned at 5:42p.m.

**APPROVED:**

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Dian T. Calderone, MTX, CPA, Chairman

**COPY TESTE:**

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Nancy Taylor Feldman, Executive Director/Agency Head